TRANSCRIPT

OF

Secretary White's Remarks to The Excellence in Government Luncheon

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Secretary White: O.K. Thank you very much. You better practice up on your hoo-ha's because the Army's gonna be back here next w-vear winnin' one of these things. Thank you all for allowing me to address you today. I am pleased and honored to have the opportunity to talk to you, the champions of the federal government's continuous improvement efforts. This has been a great conference, and I commend the organizers and the sponsors for their hard work, perseverance, and dedication to performance excellence in government. I also extend my personal congratulations to all the organizations whose efforts and achievements we have recognized here today, and also to all the organizations who use the President's quality award criteria to systemically, evalu-systematically evaluate their processes, and improve performance. We must keep up the good work. The dedicated people we lead and the citizens of the great republic we serve deserve no less. Today I want tell you a little bit about the Army's journey towards excellence, and how were preparing to guarantee the blessings of liberty for ourselves and for future generations. First transforming the Army into a more businesslike, efficient, and cost effective organization that's non-negotiable. From the beginning the Army's performance improvement journey required an unrelenting vision and commitment from leaders to provide world class support, to internal and external uses of its services and its products, empowering soldiers and civilians, improving effectiveness and efficiency, reducing waste and duplication, streamlining organizations, and doing the right thing, the right way, for the right reason. Simply put, the United States Army is the military expression of American culture, American business, and American technology and the private sector of America, first prize is something grand and glorious, second prize is a set of steak knives, and third prize is you're probably out of a job. That is the standard that we apply to government as well as the private sector because that sense of competition, and that sense of excellence and performance, is fundamental to the American

character -- Its dynamicism, its risk-taking, its teamwork. We're embracing the innovative, flexible, entrepreneurial spirit that has come to define the digital age, and quite frankly we didn't just invent it in the last ten years it goes all the way through the 225 years of our great country. and the 226 years of the United States Army. Today's Army is incorporating systemic evaluation and improvements at all levels. Annually we publish the president's quality award criteria as the Army's performance improvement criteria. We have embraced that approach. Although we don't require that organizations use the criteria, we do require leaders. commanders, and managers at all levels to number one, provide a clear vision, number two. employ an organized systemic approach towards continuous process improvement, third, ensure efficient stewardship of all accountability and accountability for resources, fourth, provide people with authority commensurate with their responsibilities, five, actively develop people. There's a marvelous phrase that I learned as a junior officer, that I have found to be true not only of the Army but of every other organization Enron Corporation for example, that I've ever been a part of, and that is that people are not in the Army, people are the Army. And so if you're not actively developing people and if you are a leader and don't fundamentally like people and like to inspire them and lead them by example and your own personal dedication then you're not doing the job. Develop a climate, number six, which encourages and rewards openness, initiative, and change in the pursuit of quality. Seven, listen and use your people's ideas, how could be anything be more fundamental that that? And suggestions for job and process improvement, mission redefinition, and taking appropriate action, I am sure that point seven as the others do, absolutely characterizes every awardee organization that we've seen here today. Eighth, provide people with the maximum responsibility appropriate to their capabilities, and nine establish long term relationships with quality suppliers. I -I would like to just make one aside in regard to

number nine, and that is, that as government entities I do not view us fundamentally in competition with the private sector. There are things that we do as core activities fundamental to our organizations, and those are our in house responsibilities and some of those will keep it all in house, and in others will invite participation by the private sector. There are yet other activities that are not core to our business activities, and like any good business, go vernment or private, we should seek through the proper means to outsource those non-core activities and focus on what is really important to our organization. As a result of this approach, the Army is an organization where people are constantly learning and growing, where risk taking and reward are present in abundance, and honored, where individual creativity is treasured, where individual responsibility is insisted upon-that comes with that responsibility and accountability piece, and is a matter of pride and where it is simply more meaningful, satisfying and fun to work. I always said in my Army experience when I was uniform and now back uh fortunately uh to been asked by the President and the SecDef to be the Secretary of the Army that it had to fun, it had to be challenging, it had to be fun cuz God knows we don't do it for the money, and that's as true, that's as true today when I was as when I was a Second Lieutenant back in 1967. By the way, if all this sounds good to you, you can go to www.goarmy.com for information on how to sign up, or or you can see me before you leave and we'll just take care of it right there. We are always looking for confident, motivated, leaders. Recently my boss the Secretary of Defense uh Don Rumsfeld, announced that the services will be able to redirect saved resources and our excellence in government initiatives or anything else we can think of, the higher priority areas within each service. This removes to me what in many cases has been a fundamental disincentive for saving money, particularly in the Department of Defense, and that and I can see a lotta green suiters and blue suiters with their heads nodding, yeah that's it. What happens is, you go out and do

something wonderful and save money and you're reward is your budget gets cut for the next year, rather than having the opportunity to take that money that you saved and redirect it in the millions of other things where that money can be productively employed. So we have changed the rules, so boss has changed the rules, and were gonna take it up with him along with all the other services in the department and if uh and if uh you're secretary or director hasn't seen fit to do that yet go beat on the door and tell him that that's the way it oughta be. This decision removes the systemic the barrier to high performance as I've said that has existed in our financial management process and a lot of other processes for a very long time. No longer will the organization be punished for achieving efficiencies and saving money. Our budget won't be cut by the amount of savings were able to achieve, removing this barrier makes me very optimistic it truly does, that we will achieve meaningful improvements. The Department of Defense, and its represented in all the services here today, and the Army in particular, have enjoyed significant success in the president's quality award program. But please don't take this the wrong way, but here's a tip for the other departments, if you wanna win, you have to compete, period, you have to be in the arena, and you have to compete. Just like the private sector, the government sector has to compete. Recurring success is never an accident, it is always the result of high intentions, sincere effort, intelligent direction, and skillful execution. It represents the wise choice of many alternatives. It's not an accident that four of the eight president's quality awards presented since 1989 have been received by Army organizations. And I'm delighted here in addition to the Army, to see the other services represented. I'm convinced that the criteria is a tool that will help us assess how we do business and identify opportunities for improvement. Today I'm encouraging the use of the Army's performance improvement criteria as a major Army leadership strategy to stimulate organizational learning, ensure stewardship of the public trust, I

mean think about this, the Department of Defense every year spends over 300 billion dollars of taxpayer money. We have a sacred trust with the American people to see to it that every last dollar of that money is spent to make this nation more secure than it has been in the past, and that's the public trust. Improve our leadership, enhance readiness, attract and retain our fair share of the nations' best and brightest, many of whom are setting in this room, uh, as winners today, in other words to achieve meaningful results. Further, I expect all types of Army organizations to be familiar with the criteria and apply it as appropriate to systemically evaluate and improve, uh, mission performance. Just as the Corp. of Engineers Huntsville and Engineering Support District and other Army organizations demonstrated how the criteria can be used to reduce cost and increase product and service quality and improve customer satisfaction, our Forces Command Criterion Program or Centurion Program has demonstrated the value of the criterion to insulation management and base operations and our space and missile defense command has demonstrated how its use can improve the alignment of organizational activity to achieve key strategy goals. These-this excellence in the operation of infrastructure we see we see represented today in many of these organizations, is absolutely fundamental to the mission of the United States Army. It is absolutely true that while we recruit individuals, men and women, eh, to serve, uh, in the Army we retain families, and its families that re-enlist, and the reason they reenlist is that organizations like we have in this room today provide them the quality of life that they could receive uh were they outside and and uh not in the Army and that's why they come back. It's a decent and great way to serve our country and you truly make the difference when you go the extra mile, to help them. This kind of support is absolutely a readiness activity of the Army. I guess it's rather apparent now that I'm proud of the Army, we enjoy a challenge, we gain great satisfaction from overcoming adversity but there are always opportunities for

improvement and we are never ever complacent. We know how to use the criteria to evaluate our performance, that's evident that by our presence today but we can and must do more to translate what we learned into improvement projects. We must do a better job of following through. Huntsville, and uh, and the great organization from Ft. Stewart for example, commanded by an old protege of mine General Skip Sharp, I'm proud to see his organization here today, uh, the ah, we've recognized those achievements have set an example for all of us to follow. Each of these organizations is characterized by leaders who are personally and visibly involved in setting direction and that, and by that I mean we have committed leadership in these outstanding organizations if you don't rather than just merely involve leadership, if you don't know the difference between committed and involved uh committed leaders are like the old story of the of when you have ham and eggs in the morning, the chicken was involved but the pig was committed, so think about it that way. And those committed leaders, clearly communicating performance expectations in evaluating and improving performance. They all focus on people. Health, safety, well-being, education, training, reward, recognition, communication, participation, and empowerment. Every one of those things is important. They all spend time and energy to understand their costumers needs. They are as much or more than anything that you'll find in the private sector focused on customers. If there's anything that American business has learned, over the last fifteen or twenty years, if you disregard customers, you do so at your peril. It's a wonderful thing to see uh such customer oriented organization like the Grand Junction Veterans hosp-, uh as a veteran I am with uh with a house in Colorado, I'm thrilled we have an award winning VA Hospital and medical center there. But those are the kinda organizations that we honor here today. Each of these organizations spend time evaluating not only how they design, produce, and deliver their products and services, but also how they

manage their suppliers, and in a true partnership and how they manage the organization itself. They value data over opinions, prevention over detection, and correction and they are all results focused. The end result is a top performing organization, like we have honored here today. One that consistently achieves excellence in all things. One in which it is fun to be a part of, and fun to work, and fun and exciting because everybody participates, not just the people here, representing the hundreds of people in the organization, but none of these people would be here if they hadn't gotten everybody into the game. It has been a privilege to address you today, government is a business, a business in which the urchin overwhelms the important, we know to manage crisis, crisis management is an Army core competency, but the road to long term success is named continuous improvement. And it's traveled by systemic evaluation, and action to achieve specific performance targets. This is our time this is the only time we will be here, we can make, and we will make a difference in our organizations, and everyone here that's been honored has done exactly that. Thank you keep up the great work, the American people are proud of you, and on behalf of the President, the Secretary of Defense, and the other agencies here today, you are doing a wonderful job. Have a safe trip home. Thank you.